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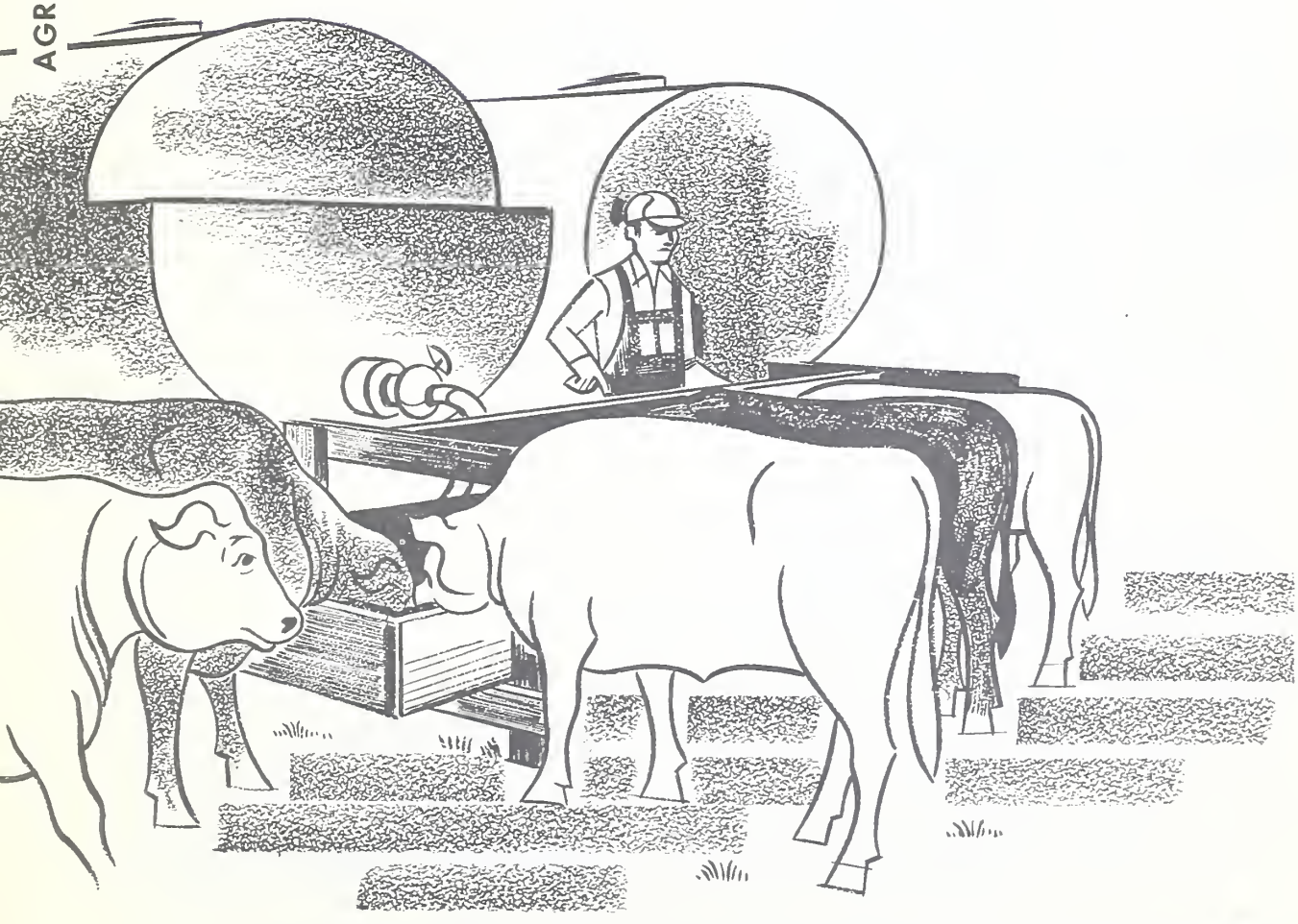
AGRICULTURAL MARKETING SERVICE

Molasses MARKET NEWS



ANNUAL SUMMARY 1961

AMS-79 (1961)

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Prepared by the Grain Division

February 1962

HIGHLIGHTS OF 1961

Average prices of molasses advanced in 1961. The relationship between prices of molasses and prices of other carbohydrate feeds became less favorable for molasses. Available supplies of molasses in 1961 were 22 percent smaller than in 1960 but only slightly below average. Domestic production and shipments to the mainland from offshore producing areas increased, partly offsetting the loss of imports from Cuba. Imports from most other foreign countries increased, some rather substantially. Exports were down 43 percent from 1960. Molasses used for livestock feed dropped sharply. Pharmaceutical manufacturers took more molasses in 1961 than in 1960, but other industrial uses were down.

PRICES

Blackstrap Molasses

Prices of blackstrap molasses at principal markets in 1961 averaged well above those of 1960. In fact, they were the highest they had been in two years on the East Coast, the highest in three years in the South and Midwest, and the highest in four years on the West Coast. Prices generally advanced during the first half of 1961. The upturn, which began in April, was stimulated by the uncertainty over what effect the elimination of Cuba from the U. S. import picture would have on available supplies the balance of the year. By midyear, however, prospects for increased molasses production from domestic sugar cane and sugar beets, larger imports from other foreign sources, and a sharp drop in molasses used in the manufacture of alcohol and distilled spirits seemed to assure adequate supplies for domestic needs. As a result, prices turned downward in August. They continued this trend the remainder of the year, with the decline more pronounced in the Gulf and Midwest than in other areas.

Another weakening factor was the delay in booking fall and winter molasses requirements. Usually, contracting for forward delivery is heavy during the late summer months. However, contracting was one to three months later than usual in 1961. This had a depressing effect on the market.

Although 1961 average prices were well above the previous year in all major markets, the December price level in the Gulf, Midwest, and West was below 1960. Prices in the Northeast and on the East Coast were more stable than in other areas of the country. Also, their December level was above a year earlier. The greater price stability on the East Coast and in the Northeast was due partly to the larger percentage of users making long-term contracts for supplies and to the more favorable relationship of blackstrap molasses prices to other carbohydrate feed ingredient prices.

Blackstrap molasses prices at New Orleans averaged 13.6¢ per gallon for 1961. This was 3.5¢ per gallon higher than 1960's average. Prices were up 3 to 3.5¢ at Texas ports, about 2¢ at El Paso, 1.6 to 2.6¢ on the East Coast

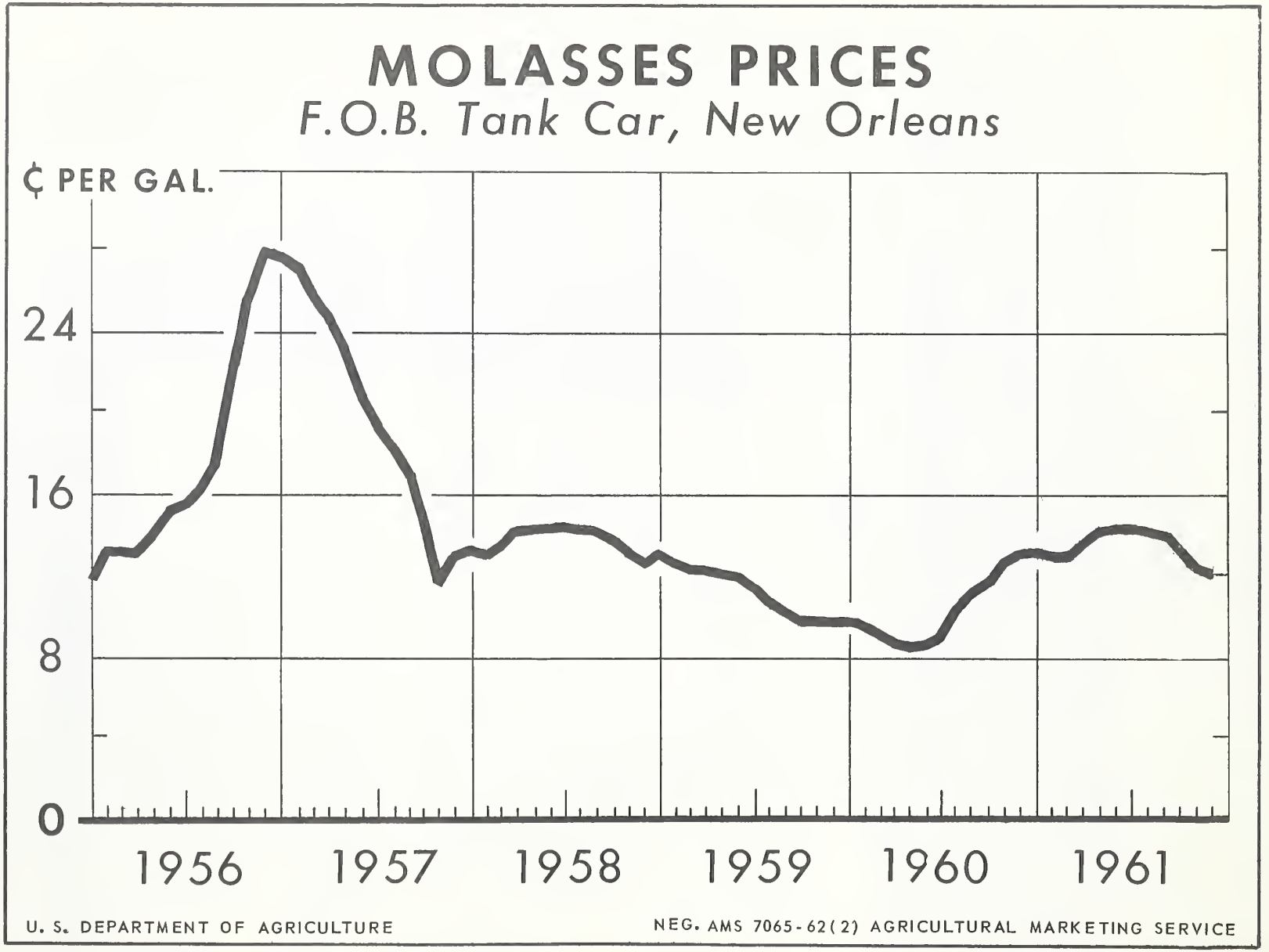
MOLASSES PRICES
F.O.B. Tank Car, New Orleans
¢ PER GAL.
24
16
8
0
1956
1957
1958
1959
1960
1961
U. S. DEPARTMENT OF AGRICULTURE
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FIGURE 1

and in the Northeast, 2.5 to 3.5¢ in the Midwest, and about 2.5¢ on the West Coast.

The spread in prices between New Orleans and other major molasses markets was much greater in December 1961 than in 1960. It ranged from 0.7¢ per gallon at Mobile to almost 8.1¢ at Denver. It was wider on the East Coast and in the Northeast and Midwest than on the Gulf and West Coasts.

Also, there was a wide range in prices between tank car and tank truck deliveries at Denver in 1961. Tank car prices were much lower because Mexican blackstrap molasses now come to Denver on a through transportation rate. This rate is lower than either the tank car rate or the tank truck rate from other sources.

Beet Molasses

Beet molasses prices in the four principal market areas averaged $1.62 per ton higher in 1961 than in 1960. However, the trend varied from area to area. For example, the 1961 average price of beet molasses was $3.67 per ton above the previous year's average in Minneapolis and $2.44 higher in Denver. It was only 63¢ higher in the Oregon-Utah-Idaho-Missoula, Montana area, but was 20¢ per ton lower in the Colorado-Wyoming-Montana area.

Month-to-month price trends also varied slightly from area to area. Prices in the Denver and Colorado-Wyoming-Montana area edged up the first two months of 1961 and then held steady the balance of the year. Prices in the Oregon-Utah-Idaho-Missoula, Montana area remained unchanged (at the same level they have been since December 1958) during the first seven months of 1961. They went up the next two months and held the new level the rest of the year. The upswing didn't come until April and May at Minneapolis, but after the gain prices held steady the remainder of the year. The relative stability in price trends for beet molasses is due to a large extent to the general practice in the principal market areas to sell the major part of the beet molasses crop on seasonal or yearly contracts.

Citrus Molasses

Prices of citrus molasses advanced sharply in 1961, averaging $2.47 per ton higher than in 1960 and the highest since 1957. The upswing came in the face of larger supplies. It also partly reflected the gain in blackstrap prices. Citrus molasses prices hit their peak in January. They weakened slightly during the heavy producing season in February and March, but strengthened during the spring and early summer when good demand absorbed available supplies and prices of competing blackstrap were advancing. Citrus molasses prices held steady the remainder of the year.

Corn (Hydrol) Molasses

Prices of corn (hydrol) molasses turned sharply upward in 1961 and averaged almost $7.50 per ton above 1960 and the highest in four years. Prices, continuing the upswing that began in August 1960, climbed steadily

(continued on page 13)

Table 1 --Molasses, blackstrap: Prices by months, f.o.b. tank car, 1957-61

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	--Cents per gallon--												
New Orleans													
1957	27.78	27.16	25.75	24.66	23.03	20.62	19.02	18.15	16.97	14.48	11.78	13.18	20.22
1958	13.31	13.09	13.47	14.30	14.40	14.40	14.43	14.25	14.13	13.75	13.06	12.63	13.77
1959	13.09	12.72	12.19	12.18	12.00	11.83	11.44	10.84	10.15	9.88	9.88	9.88	11.34
1960	9.88	9.47	9.00	8.60	8.45	8.50	8.90	10.23	11.12	11.75	12.62	13.00	10.13
1961	13.10	13.04	13.06	13.75	14.40	14.50	14.50	14.44	14.06	13.28	12.44	12.13	13.56
Houston-Beaumont													
1957	29.00	28.50	27.80	26.50	25.45	23.87	22.70	21.87	20.87	17.60	14.25	14.00	22.70
1958	14.00	14.00	14.25	15.60	16.00	16.00	16.00	16.00	16.00	15.25	13.62	12.28	13.76
1959	12.10	12.30	12.04	12.00	12.00	12.00	12.00	11.60	10.96	10.50	10.50	10.50	11.54
1960	9.49	10.06	10.06	10.06	9.49	9.49	9.49	10.87	11.53	12.30	12.80	13.15	10.73
1961	13.32	13.33	13.35	14.01	14.63	14.52	14.50	14.50	14.13	13.73	13.34	12.95	13.85
Corpus Christi													
1957	29.00	28.75	27.80	26.62	25.50	23.87	22.80	21.87	20.87	17.60	14.25	[illegible]	22.74
1958	14.00	14.00	14.37	15.60	16.00	15.80	16.00	16.00	16.00	15.25	13.75	13.00	14.98
1959	13.81	13.44	12.87	12.80	12.50	13.30	12.44	11.94	11.30	11.19	11.25	11.25	12.34
1960	11.62	10.31	10.10	10.19	10.00	10.00	10.12	10.90	12.25	12.50	13.20	13.50	11.22
1961	13.90	14.00	14.00	14.19	14.75	14.75	14.75	14.75	14.65	14.30	13.92	13.50	14.29
El Paso													
1957	26.00	26.00	25.87	25.00	24.25	23.37	22.50	21.87	20.62	17.50	14.37	14.20	21.79
1958	14.80	14.50	15.80	17.00	17.50	17.50	17.50	17.12	17.00	17.00	16.20	16.00	16.49
1959	16.00	16.00	16.00	16.00	16.00	16.00	16.00	15.62	15.50	15.50	15.50	14.56	15.72
1960	14.03	13.44	12.28	11.69	11.69	11.69	11.69	11.69	12.90	13.20	13.94	14.33	12.76
1961	14.78	14.90	14.90	14.90	15.26	15.20	14.90	14.90	14.90	14.42	14.30	13.70	14.75
Mobile													
1957	28.00	27.37	26.41	24.93	23.05	21.18	19.64	18.87	17.75	15.40	12.50	13.28	20.69
1958	13.70	13.70	13.95	14.82	15.20	15.12	15.04	14.78	14.70	14.15	13.27	12.81	14.27
1959	13.64	13.09	12.84	12.51	12.26	12.67	11.80	11.20	10.78	10.50	10.50	10.46	11.85
1960	10.50	10.05	9.47	9.15	8.90	8.87	9.14	10.55	11.62	11.93	12.85	13.00	10.49
1961	13.50	13.50	13.50	13.80	14.60	14.70	14.70	14.70	14.56	13.70	12.97	12.85	13.92

Florida

1957.....:	28.00	28.00	27.50	26.00	24.40	22.44	20.80	19.85	19.10	17.06	14.33	13.58	21.76
1958.....:	13.75	13.75	14.50	14.79	14.92	14.95	15.02	14.68	14.54	14.76	15.01	14.51	14.60
1959.....:	14.56	14.69	14.50	14.40	14.12	14.00	13.81	13.28	12.51	12.11	11.85	11.77	13.46
1960.....:	11.75	11.75	11.53	11.43	11.35	11.35	11.41	11.87	12.13	12.49	13.32	13.76	12.01
1961.....:	13.75	14.00	14.00	14.18	14.90	15.00	15.25	15.25	15.25	14.95	14.31	14.25	14.59

Savannah, Ga.-Wilmington, N. C.

1957.....:	28.00	28.00	26.91	25.43	24.95	23.75	22.95	21.72	20.78	18.55	15.87	15.70	22.72
1958.....:	15.00	15.00	15.25	15.55	16.20	16.47	16.47	16.47	16.47	16.47	16.27	15.50	15.93
1959.....:	15.35	15.50	15.50	15.50	15.19	15.15	14.81	13.69	13.45	12.75	12.75	12.75	14.36
1960.....:	12.55	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.94	13.50	13.50	13.80	12.96
1961.....:	13.75	13.75	13.75	14.44	14.90	15.00	15.00	15.00	15.00	15.00	14.81	14.75	14.60

Baltimore, Md.-Norfolk, Va.

1957.....:	28.50	28.50	28.33	28.00	27.60	27.50	26.10	24.50	23.00	21.10	19.75	18.00	25.07
1958.....:	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.31	17.25	16.81	16.50	16.10	17.21
1959.....:	15.56	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.51
1960.....:	14.94	13.50	13.50	13.50	13.25	13.25	13.25	13.25	13.25	13.25	13.55	13.80	13.52
1961.....:	15.65	15.75	15.75	15.75	15.75	15.50	15.50	15.50	15.50	15.50	15.50	15.33	15.58

Philadelphia

1957.....:	29.00	28.88	28.33	28.00	28.00	27.31	26.20	23.75	22.62	20.95	19.56	17.95	25.04
1958.....:	17.75	17.38	17.25	17.25	17.25	17.25	17.25	17.25	16.65	16.63	16.44	15.40	16.97
1959.....:	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25
1960.....:	14.81	13.50	13.45	13.25	13.25	13.25	13.25	13.25	13.25	13.25	13.55	13.80	13.48
1961.....:	14.75	14.75	14.75	15.19	15.50	15.50	15.50	15.50	15.50	15.40	15.25	15.17	15.23

New York

1957.....:	29.00	28.80	28.33	28.00	28.00	27.62	26.50	23.75	22.75	21.30	20.12	18.00	25.18
1958.....:	18.00	18.00	18.00	18.00	18.00	18.00	18.05	18.00	18.00	17.00	17.00	16.20	17.69
1959.....:	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	15.62	15.25	15.25	15.84
1960.....:	14.81	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.90	14.25	13.70
1961.....:	15.50	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.73

Table 1 - (Continued) --Molasses, blackstrap: Prices by months, f.o.b. tank car, 1957-61

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	--Cents per gallon--												
Boston													
1957	29.50	29.37	28.83	28.50	28.50	28.50	27.10	24.25	23.25	21.80	20.75	18.50	25.74
1958	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50	17.50	17.50	16.70	18.18
1959	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
1960	15.88	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.40	14.75	14.25
1961	16.05	16.25	16.25	16.25	16.25	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.09
Albany													
1957	29.50	29.37	28.83	28.50	28.50	28.50	27.10	24.25	23.25	21.80	20.75	18.50	25.74
1958	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50	17.50	17.50	16.70	18.18
1959	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
1960	15.88	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.40	14.75	14.25
1961	16.05	16.25	16.12	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.04
Buffalo													
1957	33.90	33.90	33.56	32.90	32.90	32.90	31.50	28.65	27.65	26.10	25.15	22.90	30.16
1958	22.90	22.90	22.90	22.42	22.30	22.30	22.30	22.30	22.30	21.40	21.40	20.60	22.16
1959	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40	20.40
1960	19.78	17.90	17.90	16.78	16.40	16.40	16.40	16.40	16.40	16.40	16.80	17.40	17.08
1961	18.98	19.10	19.10	19.10	19.10	19.10	19.10	19.10	19.10	19.10	19.10	19.10	19.09
Cincinnati													
1957	33.97	33.10	31.33	30.40	28.64	26.62	25.02	24.20	22.62	20.18	17.42	19.04	26.04
1958	19.25	18.95	19.28	20.08	20.10	20.10	20.11	19.95	19.82	19.38	18.67	18.22	19.49
1959	18.85	18.35	17.78	17.70	17.70	17.50	17.15	16.48	15.82	15.50	15.50	15.50	16.98
1960	15.50	15.17	14.72	14.30	14.00	14.00	14.51	15.70	16.70	17.45	18.30	18.73	15.76
1961	18.73	18.73	18.73	19.50	20.06	20.23	20.23	20.23	19.77	18.92	18.05	17.90	19.24
Minneapolis													
1957	36.04	35.77	34.26	33.17	30.36	28.75	27.76	26.90	25.20	22.10	18.85	19.30	28.20
1958	19.30	19.30	19.30	19.30	19.90	20.02	20.14	20.20	20.20	20.12	19.90	20.02	19.81
1959	20.50	20.13	19.98	19.66	19.60	19.60	19.38	18.40	17.32	17.28	17.50	17.50	18.90
1960	17.30	16.70	16.33	16.10	15.80	15.80	16.10	16.86	17.48	17.95	18.70	19.30	17.04
1961	19.30	19.30	19.30	19.90	20.50	20.50	20.50	20.50	20.50	20.14	19.45	19.30	19.93

Chicago 1/													
1957	32.92	32.30	30.80	29.56	27.70	25.87	24.10	23.40	21.97	19.76	17.12	18.06	25.30
1958	18.41	18.30	18.63	19.52	19.50	19.40	19.52	19.37	19.30	19.08	18.33	17.92	18.94
1959	18.44	18.01	17.53	17.40	17.27	17.10	16.63	15.80	15.14	14.85	14.78	14.86	16.48
1960	14.60	14.00	13.90	13.30	12.77	12.49	12.64	13.87	14.69	15.69	16.60	16.95	14.29
1961	17.00	16.85	16.85	17.46	18.00	18.43	18.17	17.99	17.62	17.06	16.51	16.15	17.34
St. Louis													
1957	32.20	31.25	30.30	28.87	27.10	24.80	23.16	22.40	21.12	18.84	15.97	17.42	24.45
1958	17.55	17.20	17.70	18.60	18.70	18.70	18.64	18.70	18.25	17.87	17.28	16.74	17.99
1959	17.43	16.93	16.25	16.44	16.20	16.04	15.70	15.00	14.30	14.05	14.20	14.20	15.56
1960	14.10	13.65	13.22	12.85	12.64	12.70	13.03	14.50	15.03	15.95	16.80	17.20	14.31
1961	17.20	17.20	17.20	17.88	18.54	18.70	18.70	18.70	18.30	17.64	16.63	16.27	17.75
Kansas City													
1957	33.62	32.95	31.60	30.16	28.52	26.60	24.98	24.12	22.57	20.18	17.47	18.98	25.98
1958	19.07	18.85	19.33	20.12	20.32	20.40	20.16	20.02	19.90	19.68	18.87	18.48	19.60
1959	18.85	18.35	17.93	17.86	17.65	17.66	17.15	16.48	15.96	15.70	15.70	15.70	17.08
1960	15.65	15.22	14.76	14.35	14.16	14.20	14.53	15.98	16.70	17.58	18.40	18.73	15.86
1961	18.70	18.70	18.70	19.55	20.20	20.30	20.30	20.23	19.78	18.84	18.23	17.80	19.28
Memphis													
1957	31.30	30.50	29.53	28.20	26.58	24.42	22.56	21.90	20.85	18.45	15.67	16.94	23.90
1958	16.85	16.63	17.00	18.04	18.30	17.67	18.20	17.92	17.58	17.42	16.68	16.32	17.38
1959	17.03	16.53	16.05	16.06	15.70	15.58	15.03	14.65	13.88	13.65	13.80	13.80	15.14
1960	13.65	13.02	12.72	12.43	12.08	12.15	12.61	13.76	14.78	15.45	16.40	16.75	13.82
1961	16.70	16.70	16.70	17.28	17.90	18.05	17.94	17.77	17.66	16.96	16.10	15.90	17.14
Denver 2/													
1957	39.40	37.82	34.30	34.30	33.58	32.37	31.20	30.50	29.87	27.70	24.13	25.54	31.72
1958	26.30	26.30	26.43	27.52	28.00	28.00	26.10	24.00	23.94	23.40	22.78	22.96	25.48
1959	23.20	21.65	21.30	21.12	20.93	20.62	20.35	18.95	19.04	18.80	18.50	18.40	20.23
1960	18.25	17.80	17.40	17.38	17.31	17.30	17.30	19.20	19.13	18.25	18.46	19.50	18.11
1961	19.78	20.10	20.61	20.75	20.96	21.25	21.10	21.10	21.10	20.68	20.50	20.20	20.68

1/ Price basis: February-March 1960 - barge and rail; May and June 1960 - average tank truck and tank car; and July-December 1960 - tank truck.

2/ Price basis: August 1958-December 1960 - tank truck and tank car.

Table 1 - (Continued) --Molasses, blackstrap: Prices by months, f.o.b. tank car, 1957-61

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
						--Cents per gallon--							
						Los Angeles							
1957	21.35	21.98	22.20	22.20	21.52	21.50	19.76	19.00	18.10	15.92	14.60	14.00	19.34
1958	14.00	14.00	14.00	14.40	14.60	14.60	14.60	14.60	14.60	14.60	14.18	13.50	14.32
1959	13.50	12.90	12.90	12.90	12.60	12.60	12.60	12.38	11.70	11.70	11.70	11.70	12.43
1960	11.70	11.70	11.40	11.40	11.40	11.40	11.55	12.48	12.90	13.20	13.94	14.30	12.28
1961	14.78	14.90	14.90	14.90	15.08	15.05	14.90	14.90	14.90	14.42	14.30	13.70	14.73
						Richmond							
1957	20.50	21.77	22.20	22.20	21.52	20.50	19.76	19.00	18.10	15.92	14.60	14.00	19.17
1958	14.00	14.00	14.00	14.60	14.60	14.60	14.60	14.60	14.60	14.60	14.18	13.50	14.32
1959	13.50	12.90	12.90	12.90	12.60	12.60	12.60	12.38	11.70	11.70	11.70	11.70	12.43
1960	11.70	11.70	11.40	11.40	11.40	11.40	11.55	12.48	12.90	13.20	13.94	14.30	12.28
1961	14.78	14.90	14.90	14.90	15.25	15.20	14.90	14.90	14.90	14.42	14.30	13.80	14.76
						Stockton							
1957	21.35	21.98	22.20	22.20	21.52	21.50	19.76	19.00	18.10	15.92	14.60	14.00	19.34
1958	14.00	14.00	14.00	14.00	14.60	14.60	14.60	14.60	14.60	14.60	14.18	13.50	14.27
1959	13.50	12.90	12.90	12.90	12.60	12.60	12.60	12.38	11.70	11.70	11.70	11.70	12.43
1960	11.70	11.70	11.40	11.40	11.40	11.40	11.55	12.48	12.90	13.20	13.94	14.30	12.28
1961	14.78	14.90	14.90	14.90	14.90	14.90	14.90	14.90	14.90	14.42	14.30	13.70	14.70
						Portland, Ore.-Seattle, Wash.							
1957	20.50	21.77	22.20	22.20	21.52	20.50	19.76	19.00	18.10	15.92	14.60	14.00	19.17
1958	14.00	14.00	14.00	14.40	14.60	14.60	14.60	14.60	14.60	14.60	14.18	13.50	14.31
1959	13.50	12.90	12.90	12.90	12.60	12.60	12.60	12.38	11.70	11.70	11.70	11.70	12.43
1960	11.70	11.70	11.40	11.40	11.40	11.40	11.55	12.48	12.90	13.20	13.94	14.30	12.28
1961	14.78	14.90	14.90	14.90	15.26	15.20	14.90	14.90	14.90	14.42	14.30	13.70	14.75

Table 2 --Molasses, beet: Prices by months, f.o.b. tank car, 1957-61

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
						--Dollars per ton--							
						Denver							
1957	45.00	45.00	40.00	40.00	40.00	40.00	40.00	40.00	34.00	32.00	32.00	32.00	38.33
1958	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	30.75	30.00	31.73
1959	30.00	30.00	30.00	30.00	30.00	30.00	30.00	31.50	29.00	26.12	27.50	27.37	29.29
1960	27.00	27.00	25.40	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	26.50	25.49
1961	27.00	28.16	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	27.93
						Colorado, Wyoming and Montana (except Missoula)							
1957	45.00	43.50	43.50	43.50	43.50	43.50	38.30	37.00	34.00	32.00	32.00	32.00	38.98
1958	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
1959	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	31.25	30.50	30.50	31.68
1960	30.50	30.50	29.30	28.50	28.50	28.50	28.50	28.50	28.50	28.50	28.50	27.00	28.78
1961	26.50	26.50	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	28.58
						Oregon, Utah, Idaho and Missoula, Montana							
1957	35.50	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	36.40	35.37	36.69
1958	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	34.25	32.50	31.00	34.40
1959	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
1960	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
1961	31.00	31.00	31.00	31.00	31.00	31.00	31.00	32.50	33.00	33.00	33.00	33.00	31.63
						Minneapolis							
1957	--	--	--	--	--	--	43.80	41.75	39.00	--	--	--	41.52
1958	40.00	40.00	--	--	--	--	--	--	--	--	--	35.00	38.33
1959	32.00	31.63	31.13	30.60	30.50	30.50	30.50	29.00	27.90	28.00	28.00	28.00	29.81
1960	27.75	27.00	26.70	26.50	26.10	26.00	26.00	26.00	26.00	27.50	29.00	30.00	27.05
1961	30.10	30.00	30.00	30.50	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	30.72

Table 3 --Molasses, citrus and corn (hydrol): Prices by months, f.o.b. tank car, 1957-61

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
						--Dollars per ton--							
Citrus molasses						Florida Points							
1957	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	23.75	19.00	24.40
1958	19.50	17.00	17.13	18.60	19.00	19.00	19.00	19.56	21.60	20.00	20.31	21.00	19.31
1959	21.25	21.25	21.25	21.25	21.25	21.25	21.00	20.38	18.40	16.87	16.00	16.50	19.72
1960	16.50	16.50	16.50	16.50	16.50	17.00	17.50	17.80	19.00	19.00	19.00	20.00	17.65
1961	21.00	19.66	19.50	19.62	20.10	20.50	20.50	20.50	20.00	20.00	20.00	20.00	20.12
Corn (hydrol) molasses						Chicago							
1957	46.00	43.25	43.00	43.62	43.00	39.75	36.20	31.69	30.56	28.00	24.25	23.50	36.07
1958	24.50	23.13	22.63	23.00	22.75	22.44	22.10	21.68	21.20	21.56	21.87	21.85	22.39
1959	22.19	22.75	22.75	22.45	22.25	21.90	21.69	21.46	19.45	18.75	18.25	18.25	21.01
1960	18.94	19.25	18.75	17.56	16.60	16.50	16.50	17.10	18.88	19.56	20.35	21.88	18.49
1961	22.85	23.08	23.50	24.00	24.65	25.44	26.88	27.00	26.50	25.30	24.75	24.25	24.85
						Kansas City							
1957	45.25	47.00	47.00	45.20	43.50	40.37	36.90	33.62	31.62	29.20	25.50	24.00	37.43
1958	24.75	23.94	24.00	24.35	23.75	22.87	23.05	23.00	22.55	23.00	23.00	22.65	23.40
1959	22.87	23.00	23.00	22.80	22.97	23.00	22.63	22.50	21.00	20.31	19.68	19.50	21.93
1960	20.13	20.50	19.90	19.31	18.45	18.00	18.00	18.60	19.75	21.37	22.60	25.25	20.16
1961	26.00	26.50	26.75	27.31	29.15	29.75	31.00	31.00	31.00	29.40	28.38	28.00	28.69

the first eight months of 1961. They started down in September and followed that course the rest of the year. The advance was more pronounced at Kansas City than at Chicago. As a result, the price spread between the two markets reached $3.84 per ton -- almost twice as much as a year earlier.

Table 4 --Price comparisons between molasses and No. 2 yellow corn at New York, Chicago and Kansas City, 1952-61 1/

Year	New York			Kansas City			Chicago		
	Corn	Molasses	Difference	Corn	Molasses	Difference	Corn	Molasses	Difference
	--Cents--								
1952...	204.8	134.0	+70.8	180.8	167.7	+13.1	179.6	153.0	+26.6
1953...	182.5	79.1	+106.1	157.8	118.4	+39.4	159.1	100.9	+58.2
1954...	185.7	77.2	+108.5	159.2	116.7	+42.5	159.7	99.1	+60.6
1955...	161.2	81.1	+80.1	148.2	116.1	+32.1	141.4	98.5	+42.9
1956...	169.8	109.5	+60.3	149.7	136.4	+13.3	145.2	130.0	+15.2
1957...	156.8	163.7	-6.9	130.4	204.2	-73.8	129.2	199.3	-70.1
1958...	156.3	115.0	+41.3	120.0	127.4	-7.4	125.5	123.1	+2.4
1959...	150.6	103.0	+47.6	117.3	111.0	+6.3	122.5	107.1	+15.4
1960...	143.8	89.0	+54.8	113.6	103.1	+10.5	115.6	92.9	+22.7
1961...	141.8	102.2	+39.6	112.4	125.3	-12.9	113.1	112.7	+0.4

MOLASSES AND CORN PRICES

The relationship between molasses prices and corn prices was less favorable for molasses in 1961 than it was in 1960. 1/ In fact, it was the least favorable it has been for molasses since 1957. This may have accounted for at least a part of the sharp drop in the estimated quantity of molasses used for livestock feed in 1961.

While the cost of a bushel of corn declined 2¢ in New York, 1.2¢ in Kansas City and 2.5¢ in Chicago in 1961, the cost of 6 1/2 gallons of molasses went up 13.2¢, 22.2¢ and 19.8¢, respectively. This narrowed the spread in the relationship of molasses prices to corn prices. Molasses was 39.6¢ below corn in New York and 0.4¢ lower in Chicago. However, molasses was 12.9¢ above corn in Kansas City. A year earlier, molasses costs were 54.8¢ under corn in New York, 22.7¢ less in Chicago, and 10.5¢ less in Kansas City

1/ A "rule of thumb" measure -- 6 1/2 gallons of molasses are about equivalent in carbohydrate value to one bushel of corn -- is widely used to compare the carbohydrate value of molasses and corn. This measure is based on experiments conducted to evaluate the energy produced from one bushel of corn and the amount of molasses required to produce the same amount of energy.

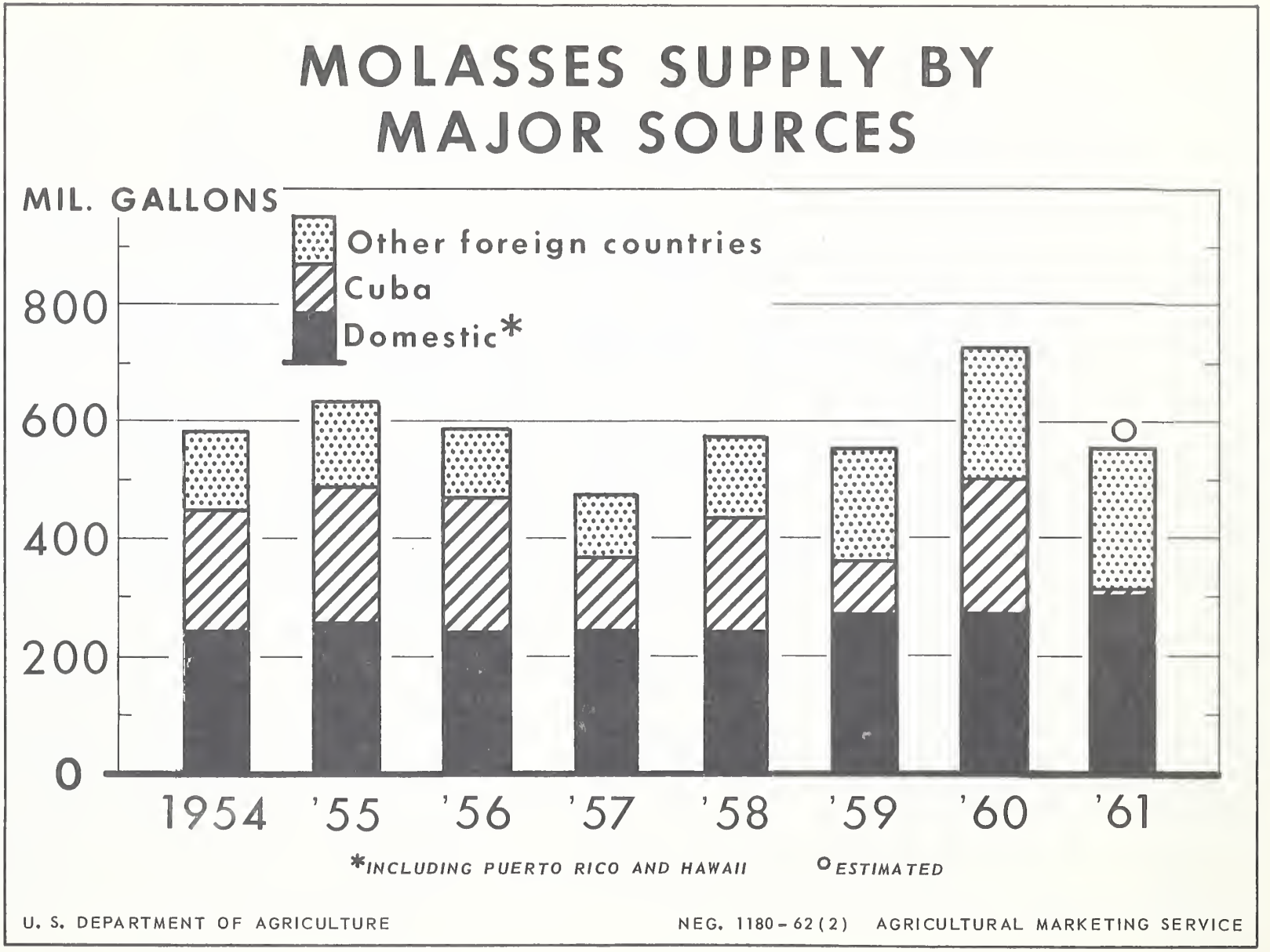
MOLASSES SUPPLY BY MAJOR SOURCES
MIL. GALLONS
Other foreign countries
Cuba
Domestic*
800
600
400
200
0
1954
'55
'56
'57
'58
'59
'60
'61
*INCLUDING PUERTO RICO AND HAWAII
O ESTIMATED
U. S. DEPARTMENT OF AGRICULTURE
NEG. 1180-62(2) AGRICULTURAL MARKETING SERVICE

FIGURE 2

Table 5 --Molasses: Production, exports and shipments to the United States from principal supplying areas, 1945-61

Year	Cuba		Puerto Rico			Hawaii		
	Production 1/	Exports to United States	Production	Shipments to United States	Exports to other countries	Production	Shipments to United States	Exports to other countries
	--1,000 gallons--							
1945	194,741	113,614	40,400	16,268	-	44,769	36,942	-
1946	233,650	57,968	38,400	17,287	-	36,121	32,226	-
1947	299,400	105,387	50,800	31,956	-	48,768	37,461	-
1948	332,000	139,258	54,800	44,811	4,441	43,515	44,271	-
1949	291,599	161,872	59,275	43,589	5,603	43,006	42,523	-
1950	262,365	186,784	49,522	31,224	6,658	41,381	41,076	355
1951	288,625	130,472	60,300	49,951	1,528	44,723	41,572	-
1952	397,900	186,676	69,800	52,252	4,021	44,041	37,942	505
1953	278,300	291,352	59,856	32,651	13,258	51,319	47,558	-
1954	367,754	202,940	61,600	37,558	7,923	51,759	46,530	-
1955	429,235	232,696	56,246	44,232	6,033	51,052	50,413	-
1956	324,460	232,329	56,899	34,726	6,765	52,644	49,401	1,916
1957	253,265	117,471	52,600	20,439	19,402	52,340	54,140	-
1958	310,600	188,428	56,800	26,611	10,157	52,768	43,974	4,642
1959	314,300	90,497	60,755	24,238	19,239	56,849	60,239	7,771
1960	287,206	228,643	58,474	30,289	15,162	50,817	49,692	-
1961 2/	320,000	12,417	63,000	39,000	8,224	56,652	51,000	-

1/ Includes 131.7 million gallons of high-test molasses in 1954, 231.5 million in 1955, 111.4 million in 1956, 87.5 million in 1958, and 4.8 million in 1959.
2/ Estimated.

Source: Bureau of the Census, Cuban Sugar Stabilization Institute, Association of Sugar Producers of Puerto Rico, California and Hawaiian Sugar Corporation, Ltd., and the Hawaiian Sugar Planters Association.

Table 6 --Feed and industrial molasses: Mainland production, inshipments, imports, and exports, 1950-61

Year	Mainland production						Offshore shipments to the mainland		
	Cane	Beet 1/	Refiners' blackstrap	Citrus	Hydrol 2/	Total	Hawaii	Puerto Rico	Total
	--1,000 gallons--								
1950..	44,814	61,333	34,326	7,929	21,388	169,790	41,076	31,224	72,300
1951..	44,350	45,578	32,775	11,926	18,411	153,040	41,572	49,951	91,523
1952..	51,901	38,583	36,221	9,333	18,063	154,101	37,942	52,252	90,194
1953..	48,682	47,628	36,123	7,382	18,792	158,607	47,558	32,651	80,209
1954..	46,050	52,351	31,836	8,804	17,873	156,914	46,530	37,558	84,088
1955..	49,187	52,061	32,954	8,422	15,502	158,126	50,413	44,232	94,645
1956..	38,067	51,955	40,303	7,878	16,851	155,054	49,401	34,726	84,127
1957..	42,532	63,171	39,370	10,474	16,249	171,796	54,140	20,439	74,579
1958..	40,300	67,324	40,012	6,328	20,336	174,300	43,974	26,611	70,585
1959..	42,826	76,920	40,333	7,669	21,494	189,242	60,239	24,238	84,477
1960..	50,065 3/	74,000	40,686	5,155	23,324	193,230	49,692	30,289	79,981
1961 3/	60,000	81,000	44,796	6,000	23,000	214,796	51,000	39,000	90,000

Year	U. S. imports					Mainland exports 4/	Available supplies
	Cuba	Dominican Republic	Mexico	Other	Total		
	--1,000 gallons--						
1950..	186,784	16,828	21,184	19,045	243,841	2,331	483,600
1951..	130,472	16,693	25,195	56,029	228,389	2,649	470,303
1952..	186,676	27,946	21,547	59,952	296,121	897	539,519
1953..	291,352	26,199	31,829	61,385	410,765	1,563	648,018
1954..	202,940	23,516	37,810	76,142	340,408	4,843	576,567
1955..	232,696	34,573	43,277	67,266	377,812	4,863	625,720
1956..	232,329	31,652	29,820	58,288	352,089	879	590,391
1957..	117,471	21,789	40,059	52,217	231,536	2,545	475,366
1958..	188,428	24,761	46,539	74,580	334,308	2,166	577,027
1959..	90,497	47,426	61,651	82,563	282,137	2,372	553,484
1960..	228,643	62,281	75,635	83,087	449,646	3,032	3/ 719,825
1961..	12,417	53,834	70,807	123,341	260,399	2,220	3/ 562,975

1/ Year harvested basis.

2/ Prior to 1955 estimated by multiplying total domestic dextrose sales and exports by a constant, assuming 2.58 gallons of hydrol per 100 pounds of dextrose.

3/ Estimated.

4/ Do not include exports from Hawaii and Puerto Rico.

Source: ASCS Sugar Division, Bureau of the Census, Florida Citrus Processors Association, Hawaiian Sugar Planters Association, and Price-Waterhouse and Company.

SUPPLIES

Feed and industrial molasses supplies available for 1961 were estimated at 563 million gallons -- about 157 million gallons, or 22 percent, less than in 1960. This sharp drop was due almost entirely to the elimination of Cuba from the import picture. Even so, 1961 supplies were only about 20 million gallons below the average for the past five years.

Domestic Supplies

Domestic sources accounted for nearly 305 million gallons, or 54 percent, of the total U. S. 1961 molasses supply. The domestic portion in 1960 was 273 million gallons, or 38 percent of the total. Mainland sources provided almost 215 million gallons of the domestic total in 1961 compared with a little more than 193 million gallons in 1960. Shipments to the mainland from Hawaii and Puerto Rico totaled 90 million gallons as against nearly 80 million in 1960.

Production of blackstrap molasses by mainland cane mills in 1961 was estimated at 60 million gallons. This was about 20 percent more than in 1960. The increase reflected a gain of 31 percent in Florida sugar cane production and a rise of 19 percent in Louisiana cane production. Florida's bigger gain was due to expanded acreage of sugar cane and construction of several new sugar mills. Beet molasses output, based on preliminary estimates, reached 81 million gallons in 1961, or about 9 percent more than the previous year. As in the case of sugar cane, acreage of sugar beets harvested in 1961 was up -- about 14 percent more than in 1960. Production of nearly 45 million gallons of refiners' blackstrap ran about 10 percent larger in 1961. Citrus molasses production increased around 15 percent and totaled about 6 million gallons. Although output of citrus molasses was up from the very low level of 1960, it has not fully regained the levels it held prior to the hard freeze of 1960.

Shipments of cane molasses from Hawaii to the mainland in 1961 totaled about 51 million gallons. This was 3 percent more than in 1960 but slightly below average for the last five years. Hawaiian production, on the other hand, reached 57 million gallons -- second only to the all-time record high in 1959. Although Hawaiian producers had almost no inventory at the beginning of 1961, they had a relatively large carryover at the end of the year.

Puerto Rican molasses shipments to the mainland in 1961 were estimated at 39 million gallons, about 29 percent more than in 1960 and the largest in six years. Higher prices paid by mainland distributors drew a larger share of the Puerto Rican crop to the mainland. About an eighth of 1961 production was exported to foreign countries compared with slightly more than a fourth in 1960.

Imports

Molasses imported into the United States from foreign countries in 1961 totaled around 260 million gallons -- 189 million gallons, or 42 percent, less than in 1960 and the smallest since 1957. As a result of this decrease,

Table 7 --Molasses, inedible: U. S. imports by country of origin, 1957-61

Country of origin	1961	1960	1959	1958	1957
			- 1,000 gallons -		
Cuba	12,417	1/ 228,643	90,497	188,428	117,471
Mexico	70,807	75,635	61,651	46,539	40,059
Dominican Republic	53,834	62,281	47,426	24,761	21,789
Jamaica	17,313	22,335	10,170	7,347	5,909
Philippine Republic	7,165	6,406	5,708	4,181	4,926
Taiwan (Formosa)	590	5,674	11,216	2,314	-
Peru	9,201	5,629	4,709	4,605	3,540
Turkey	-	5,585	-	-	-
France	23,927	5,244	9,348	9,446	11,913
Rumania	8,886	4,660	-	-	-
French West Indies	8,805	4,568	2,530	4,336	1,839
Barbados	2,236	4,523	2,395	4,767	6,364
Haiti	5,394	2,942	2,921	3,112	5,970
Trinidad and Tobago	6,395	2,690	7,358	2,219	21
Netherlands	4,486	2,360	2,225	6,143	1,705
Indonesia	4,065	2,276	2,207	2,213	-
Ecuador	1,232	2,106	300	4,626	2,851
Nicaragua	1,704	2,075	3,030	2,579	2,694
Canada	722	1,534	2,523	1,749	1,447
Poland	-	978	-	-	-
British Honduras	214	771	503	-	-
Leeward Islands	1,165	442	-	-	-
British Guiana	3,045	289	2,942	-	-
Spain	-	-	6,793	553	-
India	-	-	4,488	-	-
Pakistan	-	-	1,197	-	-
Egypt	1,822	-	-	7,897	3,038
United Kingdom	-	-	-	1,107	-
Mauritius	7,476	-	-	456	-
Madagascar	1,564	-	-	217	-
Union of South Africa	5,934	-	-	-	-
Denmark	-	-	-	4,713	-
Total	260,399	449,646	282,137	334,308	231,536

1/ Revised. Source: Bureau of the Census

Table 8 --Molasses, inedible: U. S. exports by country of destination, 1957-61 1/

Country	1961	1960	1959	1958	1957
			- 1,000 gallons -		
United Kingdom	5,916	11,729	13,833	11,899	20,299
Canada	4,440	3,050	2,113	3,876	1,638
Netherlands	-	3,411	3,408	1,045	-
France	4	-	8,160	-	-
Belgium and Luxembourg	-	-	1,613	-	-
Other	84	4	255	145	10
Total	10,444	18,194	29,382	16,965	21,947

1/ Includes exports from Hawaii and Puerto Rico. Source: Bureau of the Census

Table 9 --Molasses, inedible: U. S. imports by customs districts, 1957-61

Customs Districts	1961	1960	1959	1958	1957
			- 1,000 gallons -		
Maine and New Hampshire	75	35	34	39	35
Vermont	-	7	-	49	-
Massachusetts	2,309	4,788	2,196	4,983	2,602
Connecticut	14,683	12,582	9,598	10,006	3,351
St. Lawrence	-	549	-	3	-
Buffalo	2,045	1/ 6,204	6,968	1,134	299
New York	66,510	57,282	43,783	54,623	49,619
Philadelphia	5,539	111,702	20,898	75,097	37,927
Maryland	14,260	1/ 15,813	8,966	7,610	8,434
Virginia	4,030	3,359	4,373	2,201	3,079
North Carolina	4,716	4,212	5,301	4,478	3,364
Georgia	1,264	3,180	2,534	2,921	3,650
Florida	7,401	7,172	1,904	1,618	2,388
Mobile	5,580	16,204	17,628	10,047	7,185
New Orleans	54,895	115,918	89,309	105,396	59,878
Sabine	1,951	1,841	1,592	821	1,546
Galveston	26,743	33,211	31,671	21,492	24,176
Laredo	1,427	2,272	1,892	1,536	1,339
El Paso	6,479	6,817	3,944	3,758	3,836
Arizona	3,660	5,567	1,711	1,235	639
Los Angeles	22,720	26,553	14,736	20,094	13,081
San Francisco	7,852	10,360	7,662	4,582	3,706
Montana and Idaho	-	2	80	-	165
Dakota	-	155	431	537	883
Duluth and Superior	-	-	84	45	300
Michigan	-	-	8	-	-
Ohio	6,260	3,827	4,834	3	-
St. Louis	-	-	-	-	54
Oregon	-	34	-	-	-
Total	260,399	449,646	282,137	334,308	231,536

1/ Revised.

Source: Bureau of the Census

Table 10 --Molasses, inedible: U. S. exports by customs districts, 1957-61

Customs Districts	1961	1960	1959	1958	1957
			- 1,000 gallons -		
New York	58	-	23	330	10
Washington	1,740	2,261	1,696	1,489	1,435
Hawaii	-	-	7,771	4,642	-
Montana and Idaho	48	110	7	-	-
Dakota	-	12	15	9	17
Michigan	232	74	26	33	9
Puerto Rico	8,224	15,162	19,239	10,157	19,402
St. Lawrence	33	7	-	160	94
Philadelphia	6	-	-	5	20
San Diego	3	4	-	4	-
New Orleans	-	-	-	-	876
Buffalo	79	3	-	-	-
Florida	-	561	-	-	-
Other	21	-	605	136	84
Total	10,444	18,194	29,382	16,965	21,947

Source: Bureau of the Census

imports accounted for only 46 percent of the total U. S. molasses supply in 1961 compared with 62 percent in 1960.

Cuba, who previously was the United States' largest foreign source of molasses, supplied only about 12 million gallons, or about 5 percent, of our total 1961 imports. Cuba provided over 228 million gallons in 1960, or around 51 percent of total imports.

Mexico and the Dominican Republic became our largest molasses suppliers in 1961. Almost 71 million gallons were imported from Mexico and 54 million from the Dominican Republic. However, these were around 6 and 14 percent, respectively, lower than the previous years' all-time record highs.

Imports of molasses from other foreign countries soared to a record-breaking 123 million gallons -- about 40 million gallons, or 48 percent, more than the previous record in 1960. This helped offset to some extent the drop in imports from Cuba, Mexico and the Dominican Republic. Several significant changes in the origin of molasses imported into this country developed in 1961. France furnished almost 24 million gallons compared with only about 5 million in 1960. Sizable amounts came from the Union of South Africa, Madagascar, Mauritius, Egypt, British Guiana, Leeward and Windward Islands, and Rumania -- countries which previously had not furnished much, if any, molasses to the United States. Regular suppliers, such as the Philippine Republic, Peru, the French West Indies, Haiti, Trinidad and Tobago, the Netherlands, and Indonesia also showed substantial increases. On the other hand, imports from Jamaica, Taiwan, Barbados, Ecuador, Nicaragua, and Canada -- all long-time suppliers -- were down. No molasses was imported from Turkey or Poland in 1961 compared with more than 6 million gallons the previous year.

About 176 million gallons of molasses, or 68 percent of total 1961 imports, came into the United States through New York, Philadelphia, New Orleans, Galveston, and Los Angeles customs districts. The previous year almost 345 million gallons, or about 77 percent of the total, were imported through these same customs districts. There were two outstanding changes in customs district imports in 1961 -- at Philadelphia and New Orleans. Imports of molasses through Philadelphia dropped to less than 6 million gallons from almost 112 million in 1960. Large quantities of molasses previously used in the manufacture of alcohol were replaced by corn and other carbohydrates. Imports at New Orleans dipped to slightly under 55 million gallons -- 61 million gallons, or almost 53 percent, less than the previous year. This was due to a large extent to the limited imports from Cuba.

Exports

Molasses exports from the United States in 1961 totaled slightly over 10 million gallons. This was almost 8 million gallons, or 43 percent, less than the previous year. Of the total, a little more than 8 million gallons were exported from Puerto Rico, only about half as much as the year before. Hawaii again shipped all its molasses to the mainland and none was exported to other countries. Exports through the Washington district amounted to almost 2 million gallons, a little less than in 1960 but above average for the past five years.

The United Kingdom remained our biggest customer for molasses. However, the 6 million gallons exported to the U. K. were only about half those shipped in 1960. Canada took about four and a half million gallons -- around 46 percent more than a year earlier. A few thousand gallons also were exported to Iceland, Mexico, Bermuda, Saudi Arabia, France, and Sweden.

Table 11 --Molasses: Estimated utilization, United States, 1950-61

Year	Industrial				Mixed feeds, direct feeding and silage 2/	Total utilization
	Distilled spirits 1/	Yeast, citric acid and vinegar	Pharmaceuticals and other edibles	Total		
	--Million gallons--					
1950	163.0	51.0	7.0	221.0	262.6	483.6
1951	160.9	52.0	7.0	219.9	250.4	470.3
1952	169.2	53.0	7.0	229.2	310.3	539.5
1953	208.4	55.0	8.0	271.4	376.6	648.0
1954	87.8	60.0	10.0	157.8	418.8	576.6
1955	121.3	65.0	12.0	198.3	427.4	625.7
1956	111.9	70.0	14.0	195.9	394.5	590.4
1957	59.2	70.0	14.0	143.2	332.2	475.4
1958	61.7	70.0	15.0	146.7	430.3	577.0
1959	35.3	71.0	15.0	121.3	432.2	553.5
1960	69.0	74.0	3/ 37.0	180.0	539.8	719.8
1961 4/	8.5	70.4	47.1	126.0	437.0	563.0

1/ Includes molasses used in making ethyl alcohol, butyl and acetone prior to 1959.

2/ Molasses utilized in feeds is a residual item, calculated by subtracting molasses used industrially from total mainland supplies without considering changes in stocks.

3/ Pharmaceutical utilization not considered prior to 1960.

4/ Estimated.

UTILIZATION

Total molasses utilization in 1961 was estimated at 563 million gallons. This was 157 million gallons, or 22 percent less, than the record 720 million gallons used in 1960. Since year-end inventory stocks are unavailable, however, actual utilization may be somewhat higher or lower than the above figure.

Molasses used for livestock feed in 1961 was estimated at 437 million gallons -- almost 103 million less than the previous year. 1/ However, it was still above the amount used for feed in all years from 1950 through 1959.

Yeast, citric acid, and vinegar producers remained the second largest users of molasses. They took an estimated 70 million gallons in 1961, or about 4 million less than in 1960. Manufacturers of pharmaceuticals (considered for the first time in 1960), edible molasses, and sirups used a record 47 million gallons, or about 10 million more than the previous year. Most of this went into the manufacture of pharmaceuticals. Trade reports indicated usage by the edible molasses and sirup industry was about the same in 1961 as it was in 1960.

Molasses used for industrial purposes by alcohol plants and distilleries continued to drop. Only about 8.5 million gallons were used for this purpose in 1961 compared with 69 million in 1960. Although this industrial use of molasses has declined steadily in recent years, this was the greatest drop since 1954. This development was due almost entirely to the elimination of molasses as a product used in the manufacture of industrial alcohol.

1/ The quantity of molasses used for feed is a residual item, computed by deducting known amounts used for other purposes from total supplies without considering stocks.

Table 12 --Molasses used in the production of alcohol and distilled spirits, by months, 1957-61 1/

Month	1961	1960	1959	1958	1957
			--1,000 gallons--		
January	1,031	2,356	3,162	7,967	2,479
February	1,114	684	3,621	7,427	2,171
March	1,626	4,083	4,573	5,281	3,267
April	2,087	8,679	4,903	4,366	679
May	881	8,229	5,200	6,515	1,073
June	319	7,978	4,549	3,353	659
July	125	6,819	1,751	3,352	3,588
August	226	5,053	1,844	1,297	6,697
September	255	3,366	1,677	3,405	7,772
October	210	1,355	1,642	4,797	6,334
November	394	1,302	801	3,466	5,760
December	2/ 232	764	1,600	3,044	7,482
Total	8,500	50,668	35,323	54,270	47,961

1/ Includes molasses used in making ethyl alcohol prior to 1959.
2/ Estimated.

Source: Internal Revenue Service

WORLD PRODUCTION AND TRADE

World production of industrial molasses in 1960-61, the latest for which data are available, was estimated by the Foreign Agricultural Service at almost 3 billion gallons. This compared with about 2.8 billion in both of the two previous seasons. Most of the increase was in European countries, although North and South America and Asia also showed a slight gain. Production was off, however, in Africa and Oceania.

World molasses trade reached a new high in calendar year 1960, reflecting the rise in the output of centrifugal sugar. Cuba, Mexico, the Philippines, the Dominican Republic, Indonesia, and Jamaica were leading exporters. Major importers and their imports, in million gallons, were: United States 449, the United Kingdom 81, and Japan 64. Total 1960 molasses imports of the 25 countries from which import data are usually available were estimated at 722 million gallons. This is more than 75 percent greater than the low of 400 million gallons imported by these same countries in 1957.

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